



OFFICE OF THE COMMISSIONER OF INSURANCE
STATE OF LOUISIANA

May 23, 2002

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To: Louisiana State Legislature

The Louisiana Health Care Commission, a 44-member legislatively created health care advisory board to the Commissioner of Insurance, held a special meeting on May 17, 2002, to review the health related bills in this session. Many of these bills address policy issues that are very important to the commission and its study. Despite repeated debate at both the federal and state level, the challenges remain significant as a majority of our low-income population is without private health coverage, and our number of approximately 900,000 uninsured in Louisiana is growing steadily.

As the legislature moves forward in this session, we urge you to recognize the bills which offer certain economic incentives to our uninsured and underinsured for purchasing health insurance and other financial incentives that encourage physicians to provide medical care to the indigent population. In that vein, the Louisiana Health Care Commission would like to propose to you six basic concepts for your consideration that were unanimously adopted during its recent meeting.

The Louisiana Health Care Commission

1. supports the creation of incentives which encourage the purchase of health insurance.
2. supports the reduction of cost shifting by providing financial incentives to encourage the provision of medical care to the uninsured and underinsured.
3. supports public policy that will, through incentives and by other means, reduce cost shifting from the private to the public sector by encouraging individuals to purchase insurance products, authorized under Title 22 and eligible for state and federal tax credits, for their long-term health care needs, ultimately reducing the burden on the public health system.
4. supports public policy that will, through incentives and by other means, reduce cost and make more readily available prescription drugs for the medically needy.

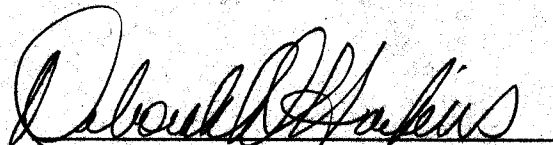
5. opposes taxes, assessments, and fees that add to the cost of health insurance without directly benefiting the health care system.
6. supports public policy that encourages research that eliminates disease and promotes improving the overall health of the people of Louisiana.

Thank you for your consideration of these proposals. If you need further information, please contact or have a member of your staff contact Denise Cassano at 225-342-0819.

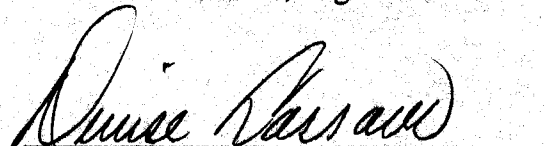
Sincerely,



Donna D. Fraiche, Chairperson



Deborah D. Harkins, Legal Counsel



Denise Cassano, Executive Director

DEC/vv